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MONTANA LEGISLATIVE HISTORY

Chapter 23 19 97

Bill H 226 S _____ Original bill & history X C

H. Committee on STATE ADMIN.			S. Committee on STATE ADMIN.		
Hearing Date(s) 1/20 + EXEC. ACTION	X	C	Hearing Date(s) 1/30 + EXEC. ACTION	X	C
		C			C
		C			C
		C			C
Date Out		C			

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

HB 222 INTRODUCED BY THOMAS
ALLOW CERTAIN MONTANA CORPORATIONS TO FILE CONSOLIDATED CORPORATION INCOME TAX RETURN

1/15	INTRODUCED		
1/15	REFERRED TO TAXATION		
1/15	FISCAL NOTE REQUESTED		
1/19	FISCAL NOTE RECEIVED		
2/02	HEARING		
3/16	COMMITTEE REPORT--BILL PASSED AS AMENDED		
3/18	2ND READING PASSED	85	8
3/19	3RD READING PASSED	89	7
	TRANSMITTED TO SENATE		
3/20	REFERRED TO TAXATION		
3/28	HEARING		
3/28	COMMITTEE REPORT--BILL CONCURRED		
3/31	2ND READING CONCURRED	50	0
4/01	3RD READING CONCURRED	49	0
	RETURNED TO HOUSE		
4/03	SIGNED BY SPEAKER		
4/06	SIGNED BY PRESIDENT		
4/06	TRANSMITTED TO GOVERNOR		
4/09	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 451 EFFECTIVE DATE: 4/09/87		

HB 223 INTRODUCED BY BARDANOUVE
ADOPT THE INTERSTATE CORRECTIONS COMPACT
BY REQUEST OF DEPARTMENT OF INSTITUTIONS

1/15	INTRODUCED		
1/15	REFERRED TO HUMAN SERVICES & AGING		
1/27	HEARING		
1/27	COMMITTEE REPORT--BILL PASSED AS AMENDED		
1/29	2ND READING PASSED	94	1
1/30	3RD READING PASSED	97	1
	TRANSMITTED TO SENATE		
2/02	REFERRED TO JUDICIARY		
3/03	HEARING		
3/04	COMMITTEE REPORT--BILL CONCURRED		
3/07	2ND READING CONCURRED	47	0
3/10	3RD READING CONCURRED	49	0
	RETURNED TO HOUSE		
3/12	SIGNED BY SPEAKER		
3/12	SIGNED BY PRESIDENT		
3/13	TRANSMITTED TO GOVERNOR		
3/16	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 112 EFFECTIVE DATE: 10/01/87		

HB 224 INTRODUCED BY SPAETH
REVISE CAMPAIGN REPORTING REQUIREMENTS CONCERNING CONTRIBUTIONS

1/15	INTRODUCED		
1/15	REFERRED TO STATE ADMINISTRATION		
1/22	HEARING		
1/22	COMMITTEE REPORT--BILL PASSED		
1/28	2ND READING PASSED AS AMENDED	89	9
1/30	3RD READING PASSED	88	10

	TRANSMITTED TO SENATE		
2/02	REFERRED TO STATE ADMINISTRATION		
2/05	HEARING		
2/06	COMMITTEE REPORT--BILL CONCURRED		
2/10	2ND READING CONCURRED	50	0
2/12	3RD READING CONCURRED	49	1
	RETURNED TO HOUSE		
2/18	SIGNED BY SPEAKER		
2/18	SIGNED BY PRESIDENT		
2/19	TRANSMITTED TO GOVERNOR		
2/20	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 36 EFFECTIVE DATE: 10/01/87		

HB 225 INTRODUCED BY SPAETH, ET AL.
PROHIBITING APPOINTMENT OF DEPARTMENT OF SOCIAL & REHABILITATION SERVICES' EMPLOYEES TO APPEALS BOARD
BY REQUEST OF DEPARTMENT OF SOCIAL & REHABILITATION SERVICES

1/15	INTRODUCED		
1/15	REFERRED TO STATE ADMINISTRATION		
1/27	HEARING		
1/27	COMMITTEE REPORT--BILL PASSED AS AMENDED		
1/29	2ND READING PASSED	94	1
1/30	3RD READING PASSED	94	4
	TRANSMITTED TO SENATE		
2/02	REFERRED TO STATE ADMINISTRATION		
2/05	HEARING		
2/06	COMMITTEE REPORT--BILL CONCURRED		
2/10	2ND READING CONCURRED	50	0
2/12	3RD READING CONCURRED	50	0
	RETURNED TO HOUSE		
2/18	SIGNED BY SPEAKER		
2/18	SIGNED BY PRESIDENT		
2/19	TRANSMITTED TO GOVERNOR		
2/20	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 37 EFFECTIVE DATE: 10/01/87		

HB 226 INTRODUCED BY SPAETH, ET AL.
AUTHORIZE PUBLIC EMPLOYEES' RETIREMENT SYSTEM BOARD TO MODIFY CERTAIN PUBLIC EMPLOYEES' RETIREMENT SYSTEM DISABILITY RETIREMENTS
BY REQUEST OF PUBLIC EMPLOYEES' RETIREMENT BOARD

1/15	INTRODUCED		
1/15	REFERRED TO STATE ADMINISTRATION		
1/20	HEARING		
1/20	COMMITTEE REPORT--BILL PASSED		
1/22	2ND READING PASSED	97	0
1/23	3RD READING PASSED	97	0
	TRANSMITTED TO SENATE		
1/26	REFERRED TO STATE ADMINISTRATION		
1/30	HEARING		
1/31	COMMITTEE REPORT--BILL CONCURRED		
2/04	2ND READING CONCURRED	50	0
2/06	3RD READING CONCURRED	49	0

RETURNED TO HOUSE
2/11 SIGNED BY SPEAKER
2/12 SIGNED BY PRESIDENT

2/12 TRANSMITTED TO GOVERNOR
2/17 SIGNED BY GOVERNOR
CHAPTER NUMBER 23 EFFECTIVE DATE: 2/17/87

HB 227 INTRODUCED BY NELSON, ET AL.
DELETE REFERENCES TO "MEDICAL BOARD" IN TEACHERS' RETIREMENT ACT
BY REQUEST OF TEACHERS' RETIREMENT BOARD

1/15 INTRODUCED
1/15 REFERRED TO STATE ADMINISTRATION
1/21 HEARING
1/21 COMMITTEE REPORT--BILL PASSED
1/23 2ND READING PASSED 98 0
1/24 3RD READING PASSED 94 0

TRANSMITTED TO SENATE
1/26 REFERRED TO STATE ADMINISTRATION
1/30 HEARING
1/31 COMMITTEE REPORT--BILL CONCURRED
2/04 2ND READING CONCURRED 50 0
2/06 3RD READING CONCURRED 49 0

RETURNED TO HOUSE
2/11 SIGNED BY SPEAKER
2/12 SIGNED BY PRESIDENT

2/12 TRANSMITTED TO GOVERNOR
2/17 SIGNED BY GOVERNOR
CHAPTER NUMBER 24 EFFECTIVE DATE: 2/17/87

HB 228 INTRODUCED BY SWYSGOOD, ET AL.
REMOVE AUTOMATIC STAY OF INSURANCE COMMISSIONER'S ORDER UPON APPEAL
BY REQUEST OF STATE AUDITOR

1/15 INTRODUCED
1/15 REFERRED TO BUSINESS & LABOR
1/26 HEARING
2/03 COMMITTEE REPORT--BILL PASSED AS AMENDED
2/05 2ND READING PASSED AS AMENDED 92 6
2/07 3RD READING PASSED 94 4

TRANSMITTED TO SENATE
2/10 REFERRED TO BUSINESS & INDUSTRY
3/03 HEARING
3/04 COMMITTEE REPORT--BILL CONCURRED
3/06 2ND READING CONCURRED 47 0
3/09 3RD READING CONCURRED 50 0

RETURNED TO HOUSE
3/11 SIGNED BY SPEAKER
3/12 SIGNED BY PRESIDENT

3/12 TRANSMITTED TO GOVERNOR
3/17 SIGNED BY GOVERNOR
CHAPTER NUMBER 119 EFFECTIVE DATE: 10/01/87

HB 229 INTRODUCED BY SPAETH

TEMPORARILY REDUCE EMPLOYER/EMPLOYEE CONTRIBUTION RATES TO PUBLIC EMPLOYEES' RETIREMENT SYSTEM FOR 1988-89
BY REQUEST OF DEPARTMENT OF ADMINISTRATION

1/15 INTRODUCED
1/15 REFERRED TO STATE ADMINISTRATION
1/15 FISCAL NOTE REQUESTED
1/21 FISCAL NOTE RECEIVED
1/22 HEARING
1/29 TABLED IN COMMITTEE

HB 230 INTRODUCED BY HANSON, M.
AN ACT TO GENERALLY REVISE THE STRIP AND UNDERGROUND MINE RECLAMATION ACT
BY REQUEST OF DEPARTMENT OF STATE LANDS

1/15 INTRODUCED
1/15 REFERRED TO NATURAL RESOURCES
1/23 HEARING
1/26 COMMITTEE REPORT--BILL PASSED AS AMENDED
1/28 2ND READING PASSED 100 0
1/29 3RD READING PASSED 95 1

TRANSMITTED TO SENATE
1/30 REFERRED TO NATURAL RESOURCES
2/11 HEARING
2/25 COMMITTEE REPORT--BILL CONCURRED
3/03 2ND READING CONCURRED 47 0
3/05 3RD READING CONCURRED 48 0

RETURNED TO HOUSE
3/10 SIGNED BY SPEAKER
3/10 SIGNED BY PRESIDENT

3/11 TRANSMITTED TO GOVERNOR
3/13 SIGNED BY GOVERNOR
CHAPTER NUMBER 70 EFFECTIVE DATE: 10/01/87

HB 231 INTRODUCED BY FRITZ
INCREASE UTILITY TAX CREDIT FOR LOANS TO CONSUMERS FOR ENERGY CONSERVATION

1/15 INTRODUCED
1/15 REFERRED TO BUSINESS & LABOR
1/15 FISCAL NOTE REQUESTED
1/22 FISCAL NOTE RECEIVED
1/27 HEARING
1/27 COMMITTEE REPORT--BILL PASSED
1/29 2ND READING PASSED 95 1
1/30 3RD READING PASSED 95 3

TRANSMITTED TO SENATE
2/02 REFERRED TO TAXATION
3/18 HEARING
3/19 COMMITTEE REPORT--BILL CONCURRED
3/23 2ND READING CONCURRED 48 0
3/25 3RD READING CONCURRED 49 0

RETURNED TO HOUSE
3/28 SIGNED BY SPEAKER
3/30 SIGNED BY PRESIDENT

3/30 TRANSMITTED TO GOVERNOR

HOUSE BILL NO. 226

INTRODUCED BY SPAETH, HARPER, GRADY, MILES, DONALDSON

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

IN THE HOUSE

JANUARY 15, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
JANUARY 20, 1987	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
JANUARY 21, 1987	PRINTING REPORT.
JANUARY 22, 1987	SECOND READING, DO PASS.
JANUARY 23, 1987	ENGROSSING REPORT.
	THIRD READING, PASSED.
	TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 26, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
JANUARY 31, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
FEBRUARY 4, 1987	SECOND READING, CONCURRED IN.
FEBRUARY 6, 1987	THIRD READING, CONCURRED IN. AYES, 49; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

FEBRUARY 9, 1987	RECEIVED FROM SENATE.
	SENT TO ENROLLING.

HB BILL NO. 226

INTRODUCED BY Smith, Hagan, Dunsky, Miller, Davidson

BY REQUEST OF THE PUBLIC EMPLOYEES' RETIREMENT BOARD

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE PUBLIC EMPLOYEES' RETIREMENT BOARD TO MODIFY CERTAIN DISABILITY RETIREMENTS; AMENDING SECTION 19-3-1103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 19-3-1103, MCA, is amended to read:

"19-3-1103. Disability allowance reduced by earnings -- change in retirement status. (1) (a) Should the recipient of a retirement allowance because of disability engage in a gainful occupation during any month other than as an employee as defined in 19-3-104, the amount of his retirement allowance for that month shall be reduced to an amount which, when added to the compensation earned by him in that occupation, shall not exceed the amount of his monthly compensation at the time of his retirement.

(b) For the purpose of calculating a reduction under subsection (1)(a), the board, at the request of a recipient of a disability retirement allowance, may adjust the recipient's monthly compensation at the time of retirement by an inflationary factor if he has been receiving a disability retirement allowance for more than 36 consecutive months.

(2) At the request of a recipient of a disability retirement allowance who is age 60 or older, the board may grant service retirement status to the recipient without recalculating his monthly allowance.

~~(2)~~(3) Benefit adjustments granted by the legislature may not be included in calculations required under this section."

NEW SECTION. Section 2. Extension of authority. Any existing authority of the public employees' retirement board to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 3. Effective date. This act is effective on passage and approval.

-End-

INTRODUCED BILL
HB-226

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

January 20, 1987

In the absence of Chairman Sales, Vice Chairman Phillips called the meeting of the State Administration Committee to order on January 20, 1987 at 9:00 a.m. in Room 437 of the State Capitol.

ROLL CALL: Chairman Sales was excused. All other committee members were present.

CONSIDERATION OF HOUSE BILL NO. 226: Rep. Spaeth, House District #84 and primary sponsor of the bill, stated the bill would allow the Public Employees' Retirement Board to modify certain disability retirements. It corrects a situation where at no time can a disability recipient receive a combination of disability income and outside income to exceed an amount of salary at the time of employment. This bill would allow a computation of benefits to keep in line with inflation.

PROPONENTS: Linda King, Assistant Administrator of the Public Employees' Retirement Division presented written testimony to the committee members (Exhibit #1).

OPPONENTS: None

DISCUSSION OF HOUSE BILL NO. 226: Rep. Nelson asked Linda King if outside income from any source such as interest and dividends from investments would reduce disability benefits, and she replied that only income from gainful occupation would do so. Rep. Jenkins asked Linda King if it would be possible under this change for a person to be drawing disability and be employed full time. She replied that the employment would have to be at a very low income rate. It is not the intent of the legislation to allow someone to be on disability and be employed full time. Rep. Jenkins clarified that at the present time there is absolutely no inflationary factor in disability retirement, and Linda replied that that was correct.

Rep. Spaeth closed discussion on HB 226 stating that this proposed legislation will not cost the state anything and will take care of those who have retired because of a disability. This change should have been made a long time ago. He asked the committee's affirmative consideration.

CONSIDERATION OF HOUSE BILL NO. 203: Rep. Spaeth, House District #84 and sponsor of the bill stated that currently if a state warrant is lost or destroyed, a bond must be submitted unless it meets a statutory exception. This bill would add another exception giving the auditor

Margaret Davis, League of Women Voters, supported tabling the bill at this time.

OPPONENTS: None

Discussion on HB 195 was closed by Rep. Miles.

CONSIDERATION OF HOUSE BILL NO. 190: Rep. Nelson, House District #6 and sponsor of the bill, stated the proposed legislation is basically a housekeeping measure requesting an increase to $25.00 in a petty cash fund for certain candidates and political committees. The bill would also permit a candidate to spend up to $25.00 from the petty cash fund for certain items such as stamps. The bill will simplify bookkeeping.

PROPONENTS: Delores Colburg, Commissioner of Political Practices, supported the bill and stated it seemed appropriate to make the increase to $25.00.

Kim Wilson, Common Cause, supported the bill and urged its passage.

OPPONENTS: None

There were no questions from the committee members on HB 190, and Rep. Nelson closed.

The committee went into executive action at 9:57 a.m.

DISPOSITION OF HOUSE BILL NO. 226: Rep. Jenkins moved DO PASS, seconded by Rep. Whalen. The motion carried unanimously.

DISPOSITION OF HOUSE BILL NO. 203: Rep. O'Connell moved DO PASS on the state auditor's amendment, seconded by Rep. DeMars to strike "accidentally" on page 2, line 14 and insert "in a catastrophe" following "destroyed". Rep. Moore expressed concern about the word "catastrophe". Rep. Fritz stated he saw no need for the amendment since the bill states the requirement can be waived upon the receipt of evidence that the warrant has been accidentally lost. The amendment FAILED by unanimous vote. Rep. Jenkins moved the insertion of "(2)(d)" on page 3, line 2. The motion was seconded by Rep. Compton and carried by unanimous vote. Rep. Holliday moved to strike "accidentally" on page 2, line 14. The amendment was seconded by Rep. Moore and carried unanimously. A DO PASS AS AMENDED motion was made by Rep. Pistoria, seconded by Rep. Holliday. The vote was unanimous.

DISPOSITION OF HOUSE BILL NO. 195: Rep. Nelson moved to table HB 195, seconded by Rep. Moore. The vote was unanimous.

DAILY ROLL CALL

State Administration COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date Jan. 20, 1987

NAME	PRESENT	ABSENT	EXCUSED
Walt Sales			✓
John Phillips	✓		
Bud Campbell	✓		
Dorothy Cody	✓		
Duane Compton	✓		
Gene DeMars	✓		
Harry Fritz	✓		
Harriet Hayne	✓		
Gay Holliday	✓		
Loren Jenkins	✓		
Janet Moore	✓		
Richard Nelson	✓		
Helen O'Connell	✓		
Mary Lou Peterson	✓		
Paul Pistoria	✓		
Rande Roth	✓		
Tonia Stratford	✓		
Timothy Whalen	✓		

EXHIBIT #1
DATE 1/20/87
HB 226

TESTIMONY ON HB 226

Presented by:
Linda King
Assistant Administrator
Public Employees' Retirement Division

HB 226, which provides for the modification of certain PERS Disability Retirement benefits is being requested by the Public Employees' Retirement Board.

Currently, the outside income of anyone receiving a PERS disability retirement is limited. The limit is based on the employee's compensation at the time he became disabled. Combined outside earnings and PERS disability benefits may not exceed the member's compensation at the time of disability retirement.

In many cases, the high rate of inflation during the 1970's has placed an unanticipated limit on those outside earnings.

This bill would allow anyone who has been receiving a disability retirement allowance for at least 3 years to request that the board review his situation and adjust, for inflation, the monthly compensation he last earned before becoming disabled. This upward adjustment would allow the retiree to earn more outside income at no cost to the retirement system since this would not result in an increase in the retiree's monthly benefit.

Since 60 is the normal retirement age for the Public Employees' Retirement System, this act would also permit individuals of normal retirement age to request that the Public Employees' Retirement Board change the form of their PERS benefit from disability to regular service retirement without recalculation of the monthly benefit.

This, in effect, removes all limitations placed upon disability retirees. The Board finds this reasonable due to the fact that people do not normally recover from a disability after age 60.

Both provisions of this bill are discretionary on the part of the disability retiree and the board. This will ensure the intent of the original legislation can be reviewed and followed.

STANDING COMMITTEE REPORT

January 20 19 97

Mr. Speaker: We, the committee on STATE ADMINISTRATION

report HB 226

☒ do pass
☐ do not pass

☐ be concurred in
☐ be not concurred in

☐ as amended
☐ statement of intent attached

John Phillips Chairman

FIRST reading copy (WHITE color)

Unanimous

ROLL CALL VOTE

State Administration COMMITTEE

DATE 1/30/87 BILL NO. 226 NUMBER

NAME	AYE	NAY
Walt Sales		
John Phillips		
Bud Campbell		
Dorothy Cody		
Duane Compton		
Gene DeMars		
Harry Fritz		
Harriet Hayne		
Gay Holliday		
Loren Jenkins		
Janet Moore		
Richard Nelson		
Helen O'Connell		
Mary Lou Peterson		
Paul Pistoria		
Rande Roth		
Tonia Stratford		
Timothy Whalen		

TALLY

Secretary Chairman

MOTION:

Form CS-31
Rev. 1985

VISITORS' REGISTER

STATE ADMINISTRATION COMMITTEE

BILL NO. 226 DATE Jan 30, 1987

SPONSOR Smith

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
LINDA KING	Public Employees Retirement Div	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

CS-33

PROPONENTS: John Campbell, representing the Montana School Business Officials, stated this would just standardize the procedures regarding substitute teachers and the withholding of their PERS benefits from their salaries. Eric Feaver, Montana Education Association, spoke in favor of the measure because it would be more convenient for the school business officials and also be advantageous to the substitute teachers because they could elect to have this withdrawn from their salaries if they wished.

OPPONENTS: There were none.

QUESTIONS ON HOUSE BILL 215: Senator Harding asked if substitute teachers currently must have this withdrawn from their salaries and was told by Mr. Feaver that in some school districts they do and others do not. Senator Haffey asked if it was mandatory after the 31st day to become an active member and was told this was so.

Rep. Corne' then CLOSED on House Bill 215.

EXECUTIVE ACTION ON HOUSE BILL 215: Senator Lynch MOVED that HOUSE BILL 215 BE CONCURRED IN. Senator Harding seconded the motion. The motion passed unanimously. Senator Abrams will carry the bill on the Senate floor.

The hearing was opened on House Bill 226.

CONSIDERATION OF HOUSE BILL 226: Representative Gary Spaeth, House District 84, introduced this bill at the request of the Public Employees' Retirement System, which is entitled, "AN ACT ALLOWING THE PUBLIC EMPLOYEES' RETIREMENT BOARD TO MODIFY CERTAIN DISABILITY RETIREMENTS; AMENDING SECTION 19-3-1103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE." This would address a problem that arises due to inflation regarding disability benefits and payments that are received. The benefits received are based on the salary earned at the time of the disability. There was a limit set on how much outside income you could receive and receive your disability. This measure would allow PERS to be able to adjust this limit so that outside income would not cut into the benefits received. It would also allow PERS to transfer the disability benefits into the regular retirement pension after the age of 60. There are no restrictions after retirement age. Rep. Spaeth noted it would help some people and have no cost effect on PERS.

PROPONENTS: Beda Lovitt, representing PERS, urged passage of this proposal. She submitted written testimony from Linda King, PERS representative. (EXHIBIT 8)

OPPONENTS: There were none.

QUESTIONS ON HOUSE BILL 226: Senator Lynch asked if at the age of 60, the disability benefits could be converted into a regular retirement plan and was told this was correct.

Rep. Spaeth then CLOSED on House Bill 226.

EXECUTIVE ACTION ON HOUSE BILL 226: Senator Hirsch MOVED that HOUSE BILL 226 BE CONCURRED IN. Senator Lynch seconded the motion. The motion carried unanimously. Senator Harding will carry the bill on the Senate floor.

The meeting was adjourned at 10:55 a.m.

cd

SENATOR JACK HAFFEY, Chairman

ROLL CALL

SENATE STATE ADMINISTRATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987 Date 1/30/87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACK HAFFEY	X		
SENATOR WILLIAM FARRELL	X		
SENATOR LES HIRSCH	X		
SENATOR JOHN ANDERSON	X		
SENATOR J. D. LYNCH	X		
SENATOR ETHEL HARDING	X		
SENATOR ELEANOR VAUGHN	X		
SENATOR SAM HOFMAN	X		
SENATOR HUBERT ABRAMS	X		
SENATOR TOM RASMUSSEN	X		

Each day attach to minutes.

DATE JANUARY 30, 1987

COMMITTEE ON SENATE STATE ADMINISTRATION

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppo
David Sears	Teachers Retirement	181/HB 227	✓	
Dick Knatt	PERS	HB 226	✓	
LARRY AIKEY	SEC OF STATE	HB 109	—	
D M Nelson	T PS & Retire	HB 227 (Inc		
John Campbell	MLSBC	HB 215	—	
David Brennan	Int'l Systems	HB 161	—	

(Please leave prepared statement with Secretary)

SENATE STATE AFFAIRS
EXHIBIT NO. 8
DATE 1-30-87
BILL NO. HB226

TESTIMONY ON HB 226

Presented by:
Linda King
Assistant Administrator
Public Employees' Retirement Division

HB 226, which provides for the modification of certain PERS Disability Retirement benefits is being requested by the Public Employees' Retirement Board.

Currently, the outside income of anyone receiving a PERS disability retirement is limited. The limit is based on the employee's compensation at the time he became disabled. Combined outside earnings and PERS disability benefits may not exceed the member's compensation at the time of disability retirement.

In many cases, the high rate of inflation during the 1970's has placed an unanticipated limit on those outside earnings.

This bill would allow anyone who has been receiving a disability retirement allowance for at least 3 years to request that the board review his situation and adjust, for inflation, the monthly compensation he last earned before becoming disabled. This upward adjustment would allow the retiree to earn more outside income at no cost to the retirement system since this would not result in an increase in the retiree's monthly benefit.

Since 60 is the normal retirement age for the Public Employees' Retirement System, this act would also permit individuals of normal retirement age to request that the Public Employees' Retirement Board change the form of their PERS benefit from disability to regular service retirement without recalculation of the monthly benefit.

This, in effect, removes all limitations placed upon disability retirees. The Board finds this reasonable due to the fact that people do not normally recover from a disability after age 60.

Both provisions of this bill are discretionary on the part of the disability retiree and the board. This will ensure the intent of the original legislation can be reviewed and followed.

STANDING COMMITTEE REPORT

JANUARY 30 87

19

MR. PRESIDENT

We, your committee on SENATE STATE ADMINISTRATION

having had under consideration HOUSE BILL 226 No

third reading copy (blue color)

AUTHORIZE PERS BOARD TO MODIFY CERTAIN PERS DISABILITY RETIREMENTS
Spaeth (Harding)

Respectfully report as follows: That HOUSE BILL 226 No

BE CONCURRED IN

~~XXXXXX~~
DO PASS

~~XXXXXXXXX~~
DO NOT PASS

SENATOR JACK HAFFEY
Chairman.